CONTINUING CARE RETIREMENT COMMUNITY (CCRC)

Calculations Concerning Conditions

Condition 1.

a. Number of living units currently under executed continuing care contracts: ______________________

b. Number of living units constructed or to be constructed: ______________________

c. 1 (a) divided by 1 (b) [ 1 (a) / 1 (b) ]:

d. If 1 (c) is .500 (50%) or more, Condition 1 is met.
   If 1(c) is less than .500 (50%), Condition 1 is not met.

Condition 2.

a. Aggregate entrance fees received (or receivable under binding contracts): $ _____________

b. Anticipated proceeds or first mortgage or other long-term financing commitment: $ _________

c. Funds from other sources in the actual possession of the provider: $ _____________

d. The sum of 2(a) through 2(c) [ 2(a) + 2(b) + 2(c) ]:

   Aggregate cost of constructing or purchasing, equipping, and furnishing the
   i. facility: $ _____________
      ii. 90% (ninety percent) of item 2(e)(1) x .90 _____________
   f. i. Funds estimated as necessary to cover initial losses of facility: $ _____________
      ii. 90% (ninety percent) of item 2(f)(1): x .90 _____________
   g. i. Reserve fund escrow required to be maintained under §246.077 $ _____________
      ii. 90% (ninety percent) of item 2(g)(1): x .90 _____________
   h. The sum of 2(e)(ii) + 2(f)(ii) + 2(g)(ii):
   j. 2(d) divided by 2(h) [2d/2h]: ______________________

   If 2(j) is 1.00 (100%) or more, Condition 2 is met.
   If 2(j) is less than 1.00 (100%), Condition 2 is not met.

Condition 3.

A. A commitment had been received for permanent mortgage loan or long-term financing.
   Yes ________

   AND

B. Any conditions of the commitment before disbursement of funds has been substantially satisfied (other than completions of construction or closing on purchase of facility)
   Yes ________
Condition 4.

A. If construction is NOT substantially complete
   i. All necessary government permits or approvals have been obtained, AND
   Yes _______
   ii. A maximum price contract has been entered between provider and general contractor, AND
       Yes _______
   iii. A construction bond has been executed in favor of provider by a surety authorized in Texas, AND
       Yes _______
   iv. Loan agreement has been entered into for interim construction loan which, when combined with entrance fees in escrow (THSC §§246-071-246.074), plus funds from other sources equals or exceeds estimated cost of construction, equipment, and furnishing, AND
       Yes _______
   v. No less than 10% of construction loan has been disbursed by lender, AND
      Yes _______
   vi. Orders at firm prices have been placed for not less than 50% of the value of items necessary for equipping and furnishing the facility.
      Yes _______

OR

B. Construction or purchase has been substantially completed, AND
   i. Occupancy permit has been issued, AND
      Yes _______
   ii. If entrance fee applies to a living unit which has been previously occupied, unit is available for occupancy by new resident.
      Yes _______

INCOMPLETE APPLICATIONS IMPEDIE TIMELY REVIEW BY THE DEPARTMENT; THEREFORE, IT IS EXTREMELY IMPORTANT THAT APPLICATIONS ARE COMPLETE. Submit a complete filing to the Texas Department of Insurance, Company Licensing & Registration, MC 305-2C, P. O. Box 149104, Austin, TX 78714-9104. For questions or more information, call (512) 322-4370.

THESE GUIDELINES ARE GENERAL IN NATURE AND DO NOT SUPERCEDE STATUTE OR REGULATION. THEY ARE NOT INTENDED TO BE ALL INCLUSIVE AND ADDITIONAL DOCUMENTATION MAY BE REQUESTED.